

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF)	CASE NO.
FARMDALE WATER DISTRICT)	2015-00375

ORDER

On November 17, 2015, Farmdale Water District ("Farmdale") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Farmdale purchases water from the Frankfort Plant Board ("Frankfort").
2. Frankfort notified Farmdale that effective November 1, 2015, Frankfort would increase its wholesale rate to Farmdale from \$2.25 per 1,000 gallons to \$2.35 per 1,000 gallons.² Farmdale proposed to increase the water rates to its customers effective November 1, 2015, to reflect the increased cost of purchased water.³
3. Farmdale proposed a purchased water adjustment factor of \$0.16 per 1,000 gallons.
4. During the 12 months ended August 30, 2015, Farmdale purchased 261,762,000 gallons of water from Frankfort and sold 155,299,000 gallons. The

¹ KRS 278.015; 807 KAR 5:068.

² TFS 2014-00774 (Ky. PSC filed Dec. 14, 2014); The tariff was accepted for filing by the Commission by letter dated Jan. 9, 2015.

³ Letter from Clifford Toles, Chairman, Farmdale Water District to Jeff Derouen, Executive Director, Public Service Commission, filed Nov. 25, 2015.

increase in the cost of purchased water is \$26,176.20, resulting in a purchased water adjustment factor of \$0.16 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.16 per 1,000 gallons as calculated in Appendix A to this Order is fair, just, and reasonable and should be approved, as requested by Farmdale.

6. Farmdale's proposed rates should be approved.

7. The rates as set forth in Appendix B to this Order are fair, just, and reasonable and should be approved for water service rendered on and after December 1, 2015.

IT IS THEREFORE ORDERED that:

1. Farmdale's proposed rates are approved.

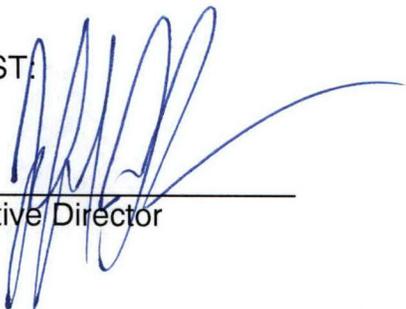
2. The purchased water adjustment factor of \$0.16 per 1,000 gallons, as requested by Farmdale, is approved.

3. The rates as set forth in Appendix B to this Order are approved for water service rendered on and after December 1, 2015.

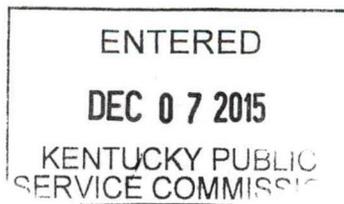
4. Within 20 days of the date of this Order, Farmdale shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

By the Commission

ATTEST:



Executive Director



APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
 COMMISSION IN CASE NO. 2015-00375 DATED **DEC 07 2015**

	New Rate	Base Rate
Farmdale		
Purchases in gallons		
Frankfort	261,762,000	261,762,000
Volumetric rate	<u>\$ 2.35/1,000</u>	<u>\$ 2.25/1,000</u>
	\$ 615,140.70	\$588,964.50
Increased water cost	\$26,176.20	
Increased water cost		\$ 26,176.20
Divided by gallons sold/1,000		<u>155,299,000</u>
Purchased water adjustment factor		\$ 0.16855 per 1,000 gallons
or		\$ 0.16 per 1,000 gallons
		as requested by Farmdale

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2015-00375 DATED **DEC 07 2015**

The following rates and charges are prescribed for the customers in the area served by Farmdale Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8- x 3/4-Inch Meter

First	2,000 gallons	\$ 17.26 per 1,000 gallons
Next	3,000 gallons	5.63 per 1,000 gallons
Next	5,000 gallons	5.17 per 1,000 gallons
Over	10,000 gallons	4.69 per 1,000 gallons

1-Inch Meter

First	5,000 gallons	\$ 34.15 per 1,000 gallons
Next	5,000 gallons	5.63 per 1,000 gallons
Next	140,000 gallons	5.17 per 1,000 gallons
Over	150,000 gallons	4.69 per 1,000 gallons

4-Inch Meter

First	50,000 gallons	\$247.60 per 1,000 gallons
Next	50,000 gallons	5.63 per 1,000 gallons
Next	50,000 gallons	5.17 per 1,000 gallons
Over	150,000 gallons	4.69 per 1,000 gallons

*Farmdale Water District
100 Highwood Drive, Route 8
Frankfort, KY 40601

*Clifford Toles
Chairman
Farmdale Water District
100 Highwood Drive
Frankfort, KENTUCKY 40601